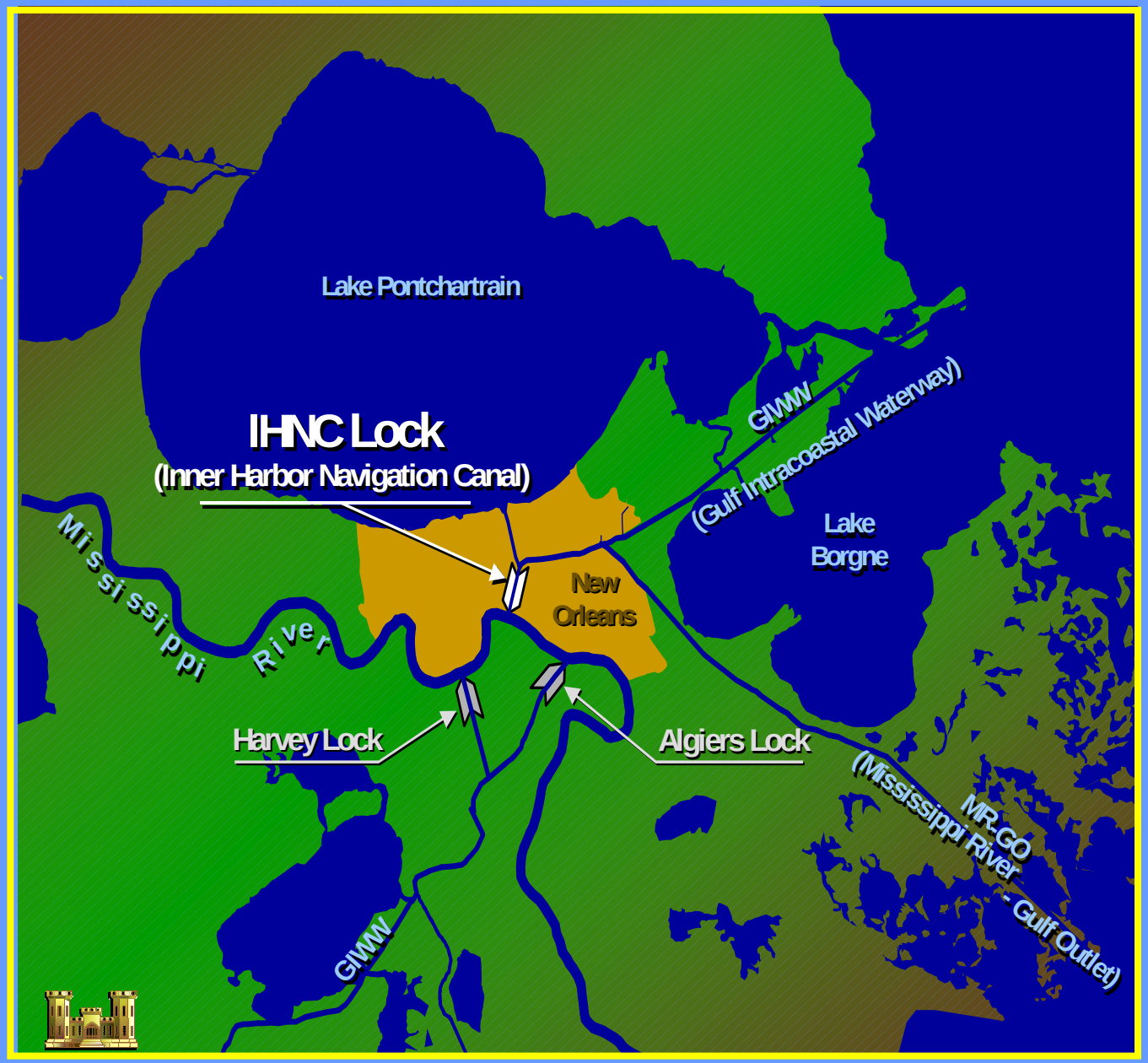
INNER HARBOR NAVIGATION CANAL LOCK REPLACEMENT PROJECT

- **Project Status:**
-continue the Demolition of East Side Industrial Area (TERC) construction contract and Community Impact Mitigation Plan
Project Cost - $764M

- **FY06 Funds Required:** $25M

- **President's Budget:**
$0

- **Project Issues:**
No funding will completely shut down the project & impact ongoing engineering & design work



Project Fact Sheet

U.S. Army Corps of Engineers
New Orleans District, CEMVN-PM-E
P.O. Box 60267
New Orleans, LA 70160-0267

Date: March, 2005

Inner Harbor Navigation Canal Lock, LA

PROJECT AUTHORITY: The project was authorized by the River and Harbor Act of 1956 (original authorization) and the Water Resources Development Acts of 1976, 1986 (re-authorized the project and established cost sharing requirements) and 1996 (authorization for the Community Impact Mitigation Plan).

PROJECT SPONSORS: The shallow draft plan will be cost shared 50-50 between the Federal Government and the Inland Waterway Trust Fund (IWWTF). The incremental costs of the deep draft lock are to be cost shared between the Federal Government (65%) and the Port of New Orleans (35%)

PROJECT LOCATION: The proposed work is located in the Inner Harbor Navigation Canal extending from the Mississippi River on the east bank in New Orleans, LA.

PROJECT PURPOSE: The existing lock, built in 1921, is dimensionally too small to accommodate the existing traffic. The present lock is 75 ft. wide by 640 ft. long by 31.5 ft. deep. The average delay to the navigation industry is 11 hours, but can be as much as 24-36 hours on many occasions. The recommended plan provides for replacement of the existing lock with a deep draft lock (110 ft. wide by 1200 ft. long by 36 ft. deep). The benefit-to-cost ratio is 2.0 to 1.

PROJECT FEATURES: The lock construction will be accomplished using a pre-fabricated, float-in method, that involves building five lock modules of concrete and steel at a remote location and floating them to the north-of-Claiborne-Avenue site. A by-pass channel will provide continuous operation of the existing lock and canal during the construction period. The project also includes the replacement of the St. Claude Avenue Bridge and significant modifications to the Claiborne Avenue Bridge, two major commuter routes. Also included as part of the project, is levee and floodwall protection along the canal and a Community Impact Mitigation Plan.

PROJECT COSTS:

Total Project Cost	$764,000,000
Total Federal Cost	$697,000,000
Total Non-Federal Cost	$ 67,000,000

PROJECT BUDGET/SCHEDULE: In FY 2005, Congress appropriated $14 million. For FY 2006, the President's budget is zero and the project capability is $25 million. No funding in FY 06 will completely shut down the project, have financial impacts to ongoing engineering and design work, impact an ongoing lawsuit and stop the economic reevaluation work. Capability funding will allow the continuation of the critical path lock design contract, the economic reevaluation, and the sampling and analysis of sediments in the canal. The sampling is required by an ongoing lawsuit (presently stayed pending these results). It would also provide reimbursement to the Sewerage and Water Board for the siphon relocation, which has already been completed.

ISSUES: Funding required for FY 2006 is $25 million. Without Congressional add funding, all work will stop on the project, financially impact ongoing engineering and design work, and continue to extend the project completion date. Traffic volume through the existing lock has taken a decline recently. A traffic analysis is currently ongoing and scheduled for completion in April 2005. These results will dictate if a detailed economic reevaluation is warranted. If so, the reevaluation would take place in two phases and would not be complete until the end of FY 2006 pending funding.